

2013 DRAFTING REQUEST

Assembly Amendment (AA-AB40)

Received: 5/26/2013	Received By: jkuesel
Wanted: Soon	Same as LRB:
For: Legislative Fiscal Bureau 6-3013	By/Representing: Runde(DL)
May Contact:	Drafter: jkuesel
Subject: State Govt - miscellaneous	Addl. Drafters:
	Extra Copies:

Submit via email: **YES**
Requester's email: **Legislative Fiscal Bureau**
Carbon copy (CC) to:

Pre Topic:

LFB:.....Runde(DL) -

Topic:

Sale or lease of state properties

Instructions:

Motion #350.

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkuesel 5/28/2013	jdyer 5/29/2013		_____			
/1	jkuesel 6/1/2013		phenry 5/29/2013	_____	mbarman 5/29/2013		
/2	jkuesel 6/3/2013	kfollett 6/3/2013	phenry 6/3/2013	_____	mbarman 6/3/2013		
/3	jkuesel	kfollett	phenry	_____	sbasford		

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
	6/4/2013	6/4/2013	6/4/2013	_____	6/4/2013		
/4	jkuesel 6/7/2013	jdyer 6/5/2013	phenry 6/5/2013	_____ _____	mbarman 6/5/2013		
/5		evinz 6/7/2013	jmurphy 6/7/2013	_____ _____	sbasford 6/7/2013		

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/4	jdye	phenry	_____	mbarman
	6/5/2013	6/5/2013	_____	6/5/2013

15 skipped
6/7/13
FE Sent For:

15 elv
6/7/13

jm
6/7

self

<END>

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1/4 jkuesel
6/4/13

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/2		kfollett 6/3/2013	phenry 6/3/2013	_____	mbarman 6/3/2013		

FE Sent For:

1/3 jkuesel
6/4
135f 6/4ph
X
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/1	1/2 skuesel 6/1/13	12kf 6/3	phenry 5/29/2013		mbarman 5/29/2013		

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1/1	jkuesel 5/21/13	11/5/13 5/29		gm 5/29 [Signature]			

FE Sent For:

<END>

Kuesel, Jeffery

From: Runde, Al
Sent: Wednesday, May 22, 2013 8:59 AM
To: Kuesel, Jeffery
Subject: FW: 350
Attachments: 350.pdf

Jeff,

Attached is the Motion that passed JFC yesterday on sale of state properties. The motion would include all of the errata language in the DOA letter I sent you earlier. Also, items 1 and 2c of the motion have already been drafted as a result of JFC actions on 2011 Act 10. Item #3 would prohibit DOA or the Building Commission from selling any property that is at least 50% gift-funded or 50% federal-funded.

Thanks,

Al

6-3013

-----Original Message-----

From: Barton, Elizabeth
Sent: Wednesday, May 22, 2013 8:51 AM
To: Runde, Al
Subject: LFB: 350

AUTHORITY TO SELL OR LEASE STATE PROPERTIES

Sell or Lease State Properties
[LFB Papers #160 thru #163]

Motion:

Move to do the following:

1. [Paper #160] Modify the Governor's recommendation, as modified by DOA errata, by specifying that DOA or the Building Commission could not sell, enter into a lease, or contract for any of the operations of a state-owned heating, cooling or power plant unless such a transaction was approved by the Joint Committee on Finance under s. 13.10 of the statutes. In addition, require DOA to submit the following to the Committee as part of any request for approval on a sale or lease: (a) the estimated value of the facility as determined by DOA and at least one qualified privately-owned assessor; (b) the full cost of retiring remaining debt for the facility; (c) a cost benefit analysis that considers the short-term and long-term costs and benefits to the state for selling, leasing, or entering a contract for facility operations; (d) the length and conditions of any proposed sale, lease or service agreement between the state and a proposed purchaser; (e) the estimated budgetary impact for affected state agencies for at least the current and following biennium; and (f) any other information requested by the Committee.

2. [Paper #161] Modify the Governor's recommendation, as modified by the DOA errata, by specifying:

a. require Building Commission approval of any state property leased by the DOA (the Governor's recommendations only require Commission's approval when DOA is proposing to sell a state property).

b. that DOA or the Building Commission could not sell, enter into a lease, or contract for any of the operations of a state-owned property unless such a transaction was approved by the Joint Committee on Finance under s. 13.10 of the statutes.

c. require DOA to submit the following to the Committee as part of any request for approval on a sale or lease: (a) the estimated value of the facility as determined by DOA and at least one qualified privately-owned assessor; (b) the full cost of retiring remaining debt for the facility; (c) a cost benefit analysis that considers the short-term and long-term costs and benefits to the state for selling, leasing, or entering a contract for facility operations; (d) the length and conditions of any proposed sale, lease or service agreement between the state and a proposed purchaser; (e) the estimated budgetary impact for affected state agencies for at least the current and following biennium; and (f) any other information requested by the Committee.

3. Prohibit DOA or the Building Commission from selling any state-owned property that is at least 50% funded from federal funds or from gifts or grants.

4. [Paper #162] Modify the Governor's recommendation and require the DOA Secretary or the Building Commission to apply any remaining proceeds from the sale of a state property, after the other specified obligations are met, to redeem debt supported by the same funding source and issued under the same bonding purpose authorization that was used to finance the property being sold.

5. [Paper #163] Modify that Governor's recommendation and require DOA to submit any proposed actions to be carried out by the Secretary regarding the budgets and positions of agencies whose property is sold or leased to the Joint Finance Committee for approval under s. 13.10 of the statutes.



State of Wisconsin
2013 - 2014 LEGISLATURE



LRBb02267
JTK...

~~SOON~~

LFB:.....Runde – Sale or lease of state properties

FOR 2013-2015 BUDGET — NOT READY FOR INTRODUCTION
ASSEMBLY AMENDMENT ,
TO ASSEMBLY BILL 40

✓
Page 58, line 16: delete the material
beginning with "except" and ending
with "16.848" on page 59, line 2.
Page 59, line 2: after that line insert:

- 1 At the locations indicated, amend the bill as follows:
- 2 1. Page 57, line 24: after "is" insert "renumbered 13.48 (14) (am) 1. and".
- 3 2. Page 58, line 1: after "(am)" insert "1."
- 4 3. Page 58, line 16: after "restored." insert:
- 5 "SECTION 10m. 13.48 (14) (am) 2. and 3. of the statutes are created to read:
- 6 13.48 (14) (am) 2. If the building commission proposes to sell or lease any
- 7 property identified in subd. 1., the commission shall first notify the joint committee
- 8 on finance in writing of its proposed action. The commission shall not proceed with
- 9 the proposed action unless the proposed action is approved by the committee.
- 10 Together with any notification, the commission shall also provide all of the following:

3.

NO 9A

UPS:
check
markers

JWS
1-13

JWS

1-11

deposit ← strike

1

4. Page 61, line 1: after "shall" insert "first".

2

5. Page 61, line 2: after "on" insert "outstanding public debt supported by the same funding source and issued under the same bonding purpose authorization that was used to finance the acquisition, construction, or improvement of the property that is sold or leased under par. (am), and if any net proceeds remain thereafter, to pay principal and interest costs on".

6

7

6. Page 62, line 15: after "shall" insert "first".

no score

8

7. Page 62, line 16: after "on" insert "outstanding revenue obligations supported by the same funding source and issued under the same bonding purpose authorization that was used to finance the acquisition, construction, or improvement of the property that is sold or leased under par (am), and if any net proceeds remain thereafter, to pay principal and interest costs on".

12

13

8. Page 76, line 13: delete "or property that is operated under contract".

14

9. Page 75, line 15: delete "or under contractual operation".

15

10. Page 94, line 16: after "is" insert "renumbered 16.848 (1) (a) and".

16

11. Page 94, line 17: after "(1)" insert "(a)".

17

12. Page 94, line 24: after "purchase" insert "or lease".

18

13. Page 95, line 7: delete "may sell the property" and substitute "may sell the property. shall submit the proposed sale to the joint committee on finance for approval under par. (b)".

19

20

21

14. Page 95, line 3: after "sale" insert "or lease".

22

15. Page 95, line 7: after "sale" insert "or lease".

23

16. Page 95, line 7: after "sell" insert "or lease".

#. Page 95, line 19: after that line
insert: ~~FF~~

1 **17.** Page 95, line 7: delete the material beginning with "Except" and ending
2 with "plant." on line 19 and substitute:

3 " **SECTION 125m.1.** 16.848 (1) (b) and (c) of the statutes are created to read:

4 16.848 (1) (b)

5 (c)

6 **18.** Page 96, line 12: delete the material beginning with ", leases" and ending
7 with "of" on line 13 and substitute "or leases".

8 **19.** Page 96, line 14: delete the material beginning with ", sale" and ending
9 with "contract," on line 15 and substitute "or lease".

10 **20.** Page 96, line 18: delete "or operated under contract".

11 **21.** Page 96, line 20: delete "The" and substitute "Subject to approval under
12 par. (d), the".

13 **22.** Page 96, line 24: delete "If" and substitute "Subject to approval under par.
14 (d), if".

15 **23.** Page 96, line 24: delete the material beginning with ", leases" and ending
16 with "of" on line 25 and substitute "or leases".

17 **24.** Page 97, line 4: delete the material beginning with ", lease" and ending
18 with "contract" on line 5 and substitute "or lease".

19 **25.** Page 97, line 6: after "(c)" insert "and subject to approval under par. (d)".

20 **26.** Page 97, line 12: delete "or operated under contract".

21 **27.** Page 97, line 13: delete ", lease, or contract" and substitute "or lease".

22 **28.** Page 97, line 14: delete lines 14 to 15 and substitute:

1 ~~HA~~ (d) Prior to taking any action to reallocate authorized expenditures, decrease
 2 authorized positions, or lapse or transfer moneys under par. (b) or (c), the secretary
 3 shall submit the proposed action in writing to the joint committee on finance. The
 4 secretary shall not proceed with the proposed action unless the proposed action is
 5 approved by the committee.”.

6 **29.** Page 97, line 16: after that line insert:

7 “**SECTION 129m.** 16.848 (2) (am) of the statutes is created to read:

8 16.848 (2) (am) Subsection (1) does not apply to any property at least 50 percent
 9 of the cost of acquisition, construction, and improvement of which was financed with
 10 federal funds, gifts, or grants, or any combination thereof.”.

11 **30.** Page 98, line 13: after “shall” insert “first”.

12 **31.** Page 98, line 14: after “on” insert “outstanding public debt supported by
 13 the same funding source and issued under the same bonding purpose authorization
 14 that was used to finance the acquisition, construction, or improvement of the
 15 property that is sold or leased under sub. (1), and if any net proceeds remain
 16 thereafter, to pay principal and interest costs on”.

17 **32.** Page 99, line 23: after “shall” insert “first”.

18 **33.** Page 99, line 24: after “on” insert “outstanding revenue obligations
 19 supported by the same funding source and issued under the same bonding purpose
 20 authorization that was used to finance the acquisition, construction, or improvement
 21 of the property that is sold or leased under sub. (1), and if any net proceeds remain
 22 thereafter, to pay principal and interest costs on”.

23 # Page 404, lines 12-15 delete lines 12 to 17.
 (END)

check
markers

MS
4-10

no score

no score



State of Wisconsin
2011 - 2012 LEGISLATURE
January 2011 Special Session



LRBb0022/1
JTK:nwn:ph

LFB:.....Renner - JFC approval of state power plant sales

FOR 2011-13 BUDGET — NOT READY FOR INTRODUCTION
SENATE AMENDMENT ,
TO SENATE BILL 11

ANS 1-10:1

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 24, line 2: delete "Notwithstanding" and substitute "Except as
3 provided in sub. (3m) and notwithstanding".

4 **2.** Page 24, line 22: after that line insert:

5 "(3m) If the department proposes to sell, lease, or contract for the operation of
6 any plant identified in sub. (1), the department shall first notify the joint committee
7 on finance in writing of its proposed action. The department shall not proceed with
8 the proposed action unless the proposed action is approved by the committee.

9 Together with any notification, the department shall also provide all of the following:

10 a. (a) The estimated value of the ^{property} plant as determined by the department ^{of administration} and by
11 at least one qualified privately owned assessor.

ANS-10:2

1 b. (b) The full cost of retiring any remaining public debt incurred to finance the
2 acquisition, construction, or improvement of the ^{property} plant.

3 c. (c) A cost-benefit analysis that considers the short-term and long-term costs
4 and benefits to the state from selling ^{or} leasing, ~~or contracting for the operation of the~~
5 ~~plant.~~ ^{property}

6 d. (d) The length and conditions of any proposed sale, lease, ^{or} service agreement
7 between this state and a proposed purchaser, lessee, ^{or} contractor.

8 e. (e) The estimated budgetary impact of the proposed sale, lease, ^{or} ~~contractual~~
9 ~~operation~~ upon affected state agencies for at least the current and following fiscal
10 biennium.

11 f. (f) Any other information requested by the committee." ^{or}

12 (END)

ASSEMBLY BILL 40

SECTION 10

ms 1-11:1

13.48 (14) (am) Except as provided in this paragraph and subject to par. (d), the building commission shall have the authority to sell or lease all or any part of a state-owned building or structure or state-owned land, including farmland, where such authority is not otherwise provided to an agency by law real property unless the sale or lease is prohibited under the state or federal constitution or federal law or the sale is conducted as a part of a procedure to enforce an obligation to this state, and may transfer land real property under its jurisdiction among agencies. The commission may sell or lease property under this paragraph with or without the approval of the agency having jurisdiction over the property and regardless of whether the property is included in an inventory submitted under par. (d). The building commission does not have the authority to sell or lease any state-owned real property under this paragraph after the department of administration notifies the commission in writing that an offer of sale or sale or lease agreement with respect to a property is pending under s. 16.848 (1). If the sale or lease is not completed and no further action is pending with respect to the property, the authority of the building commission under this paragraph is restored. Except with respect to property identified in s. 16.848 (2), if any agency has authority to sell or lease real property under any other law, the authority of that agency does not apply after the commission notifies the agency in writing that an offer of sale or sale, or a lease agreement, is pending with respect to the property under this paragraph. If the sale or lease is not completed and no further action is pending with respect to the property, the authority of the agency to sell or lease the property is restored. If the commission sells or leases any state-owned real property under this subsection, the commission may attach such conditions to the sale or lease as it finds to be necessary or appropriate to carry out the sale or lease in the best interest of the state. This paragraph does not apply

No
Sale

NOTE

subdivision

plain
text

subdivision

subdivision

ASSEMBLY BILL 40

S 1-11:2

no score
2 to real property that is exempted from sale or lease by the department of
administration under s. 16.848. ”

3 SECTION 11. 13.48 (14) (b) of the statutes is amended to read:

4 13.48 (14) (b) Subject to par. (d), the The building commission shall sell or lease
5 on the basis of either public bids, with the building commission reserving the right
6 to reject any or all bids in the best interest of the state, or on the basis of negotiated
7 prices as determined through a competitive or transparent process. Buildings,
8 structures and land mentioned in this subsection shall be subject to general property
9 taxes levied by those taxing bodies within whose area they lie if used for commercial
10 purposes, and shall be subject to special assessments for public improvements in the
11 same manner and to the same extent as privately owned buildings, structures and
12 land real property, subject to approval of the building commission when required
13 under s. 66.0703 (6).

14 SECTION 12. 13.48 (14) (bg) of the statutes is created to read:

15 13.48 (14) (bg) If any property that is proposed to be sold by the commission
16 under par. (am) is co-owned by a nonstate entity, the commission shall afford to that
17 entity the right of first refusal to purchase the share of the property owned by the
18 state on reasonable financial terms established by the commission.

19 SECTION 13. 13.48 (14) (br) of the statutes is created to read:

20 13.48 (14) (br) If the building commission sells or leases any real property
21 under par. (am) that was under the jurisdiction of an agency prior to the sale or lease,
22 the agency shall convey all systems, fixtures, or additional property interests
23 specified by the commission to the purchaser or lessee of the property on terms
24 specified by the commission. If the commission sells or leases a state-owned heating,
25 cooling, or power plant that is under the jurisdiction of an agency, the agency shall

**2013-2014 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRBb0002/P2inJTK
JTK.....

7MS
2-12

✓
1. Page 62, line 23: delete "jurisdiction together with" and substitute "jurisdiction. Except with respect to the board of regents of the University of Wisconsin system, the inventory shall include".

2. Page 62, line 24: delete "under" and substitute "underutilized".

✓
3. Page 62, line 25: delete "utilized".

Page 94, line 3: delete ~~are~~ "not" and substitute
4. Page 94, line 3: after "are" insert "owned by this state and are". except those that

7MS
2-14

5. Page 94, line 4: delete "or by a purchaser, lessee, or contractor" and substitute "or by a lessee".

6. Page 94, line 14: delete ", lease, or contractual operation" and substitute "or lease".

7. Page 95, line 2: after "recommendation." insert "If the building commission approves the proposed sale, the department" ~~may sell the property.~~ ^{shall submit the proposed sale or lease to the joint committee}

8. Page 95, line 3: delete "recommend the sale of a parcel of" and substitute "recommend the sale of a parcel of sell or lease". ^{on finance for approval unless par. (b)}

9. Page 95, line 5: after "property" insert ". If the building commission approves the proposed sale, the department may sell the property.".

10. Page 95, line 6: delete the material beginning with "If" and ending with "property." on line 7. ^{insert 2-17b}

11. Page 95, line 18: delete the material beginning with "for" and ending with "operation" on line 19 and substitute "to purchase the output".

Page 95, line 21: delete the material beginning with "leases" and ending with "of" on line 22 and substitute "or leases".

12. Page 97, line 18: after that line insert:

✓
Page 95, line 23: delete ", lease, or contract," and substitute "or lease,".

3-6

✓
Page 96, line 1: delete the material beginning with "leases" and ending with "or lease" and substitute "or lease".



State of Wisconsin
2011 - 2012 LEGISLATURE

January 2011 Special Session



LRBb0022/1

JTK:nwn:ph

ANS 3-4:1

LFB:.....Renner - JFC approval of state power plant sales

FOR 2011-13 BUDGET - NOT READY FOR INTRODUCTION
SENATE AMENDMENT ,
TO SENATE BILL 11

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 24, line 2: delete "Notwithstanding" and substitute "Except as
3 provided in sub. (3m) and notwithstanding"

4 **2.** Page 24, line 22: after that line insert:

5 ~~(3m)~~ ^(b) If the department proposes to sell, lease, ^{or} contract for the operation of
6 any ^{property} plant identified in sub. (1), ^{par. (a)} the department shall first notify the joint committee
7 on finance in writing of its proposed action. The department shall not proceed with
8 the proposed action unless the proposed action is approved by the committee.
9 Together with any notification, the department shall also provide all of the following:
10 [/] (a) The estimated value of the plant as determined by the department and by
11 at least one qualified privately owned assessor.

MS 3-4.2

1 2. (b) The full cost of retiring any remaining public debt incurred to finance the
2 acquisition, construction, or improvement of the ^{Property} plant.

3 3. (c) A cost-benefit analysis that considers the short-term and long-term costs
4 and benefits to the state from selling ^{or} leasing ~~or contracting for the operation of the~~
5 plant. ^{Property}

6 4. (d) The length and conditions of any proposed sale, lease, ^{or} ~~service agreement~~
7 between this state and a proposed purchaser, lessee, ^{or} ~~contractor.~~

8 5. (e) The estimated budgetary impact of the proposed sale, lease, ^{or} ~~contractual~~
9 ~~operation~~ upon affected state agencies for at least the current and following fiscal
10 biennium.

11 6. (f) Any other information requested by the committee. ^{or}

12
(END)

7-5 3-5

1 an obligation to this state. Any sale may be either on the basis of public bids, with
2 the department reserving the right to reject any bid in the best interest of the state,
3 or on the basis of negotiated prices as determined through a competitive or
4 transparent process. If the department receives an offer to purchase property offered
5 under this subsection, the department may submit a report to the building
6 commission recommending acceptance of the offer. The report shall contain a
7 description of the property and the reasons for the recommendation. The
8 department may recommend the sale of a ~~parcel of~~ property with or without the
9 approval of the agency, as defined in s. 16.52 (7), having jurisdiction ~~of~~ over the
10 property and regardless of whether the property is included in an inventory
11 submitted under s. 13.48 (14) (d). If the building commission approves the proposed
12 sale, the department may sell the property. Except with respect to property
13 identified in sub. (2), if any agency, as defined in s. 16.52 (7), has authority to sell or
14 lease real property under any other law, the authority of that agency does not apply
15 after the department notifies the agency in writing that an offer of sale or sale, or a
16 lease agreement, is pending with respect to the property under this subsection. If
17 the sale or lease is not completed and no further action is pending with respect to the
18 property, the authority of the agency to sell or lease the property is restored. If the
19 department sells or leases any state-owned real property under this subsection, the
20 department may attach such conditions to the sale or lease as it finds to be necessary
21 or appropriate to carry out the sale or lease in the best interest of the state. If the
22 department sells or leases a state-owned heating, cooling, or power plant under this
23 subsection, the department may contract with the purchaser or lessee ~~for the~~
24 operation of the plant. *to purchase the output*

SECTION 25. 16.848 (1e) of the statutes is created to read:

MS 4-10
At Page 97, line 18: after last line insert:

"SECTION 131m?. 16.848 (2) (gx) of the statutes is created to read:

16.848 (2) (gx) Subsection (1) does not apply to any property that is a part of
the portfolio of the public employee trust fund and that is sold or leased under s. 25.17
(8).".
owned or leased by the investment board

1 **7.** Page 95, line 2: after “recommendation.” insert “If the building commission
2 approves the proposed sale, the department may sell the property.”.

3 **8.** Page 95, line 3: delete “recommend the sale of a ~~parcel of~~” and substitute
4 “recommend the sale of a parcel of sell or lease”.

5 **9.** Page 95, line 5: delete lines 5 to ^{line 19} 7 and substitute “property. ~~If the building~~
6 ~~commission approves the proposed sale, the department may sell the property and~~
7 regardless of whether the property is included in an inventory submitted under s.
8 13.48 (14) (d). ~~Except with respect to property~~”.

9 **10.** Page 95, line 18: delete the material beginning with “~~for~~” and ending with
10 “plant.” on line 19 and substitute “to purchase the output of the plant.”.

11 **11.** Page 97, line 18: after that line insert:
12 “**SECTION 131m.** 16.848 (2) (gx) of the statutes is created to read:
13 16.848 (2) (gx) Subsection (1) does not apply to any property that is a part of
14 the portfolio of the public employee trust fund and that is sold or leased under s. 25.17
15 (8).”.

16 **12.** Page 101, line 12: delete “selected by” and substitute “identified by the”.

17 **13.** Page 102, line 12: delete “(14) (e)” and substitute “(14) (d)”.

18 **14.** Page 103, line 13: after “contract” insert “and is able to obtain a 100
19 percent performance bond and a separate 100 percent payment bond”.

20 **15.** Page 104, line 10: delete that line and substitute “disciplined under a
21 professional license.

22 L. In any jurisdiction, none of the bidder’s employees and no”.

23 **16.** Page 104, line 12: after “license” insert “that is currently in use”.

Kuesel, Jeffery

To: Runde, Al
Subject: RE: LRBb0224 (State property sales)

Al,

Thank you. I will go through this over the weekend and proceed. If I have questions, I'll get back to you. Have a good weekend.

Jeff

From: Runde, Al
Sent: Friday, May 31, 2013 2:53 PM
To: Kuesel, Jeffery
Cc: DL (Dave.Loppnow@legis.wisconsin.gov)
Subject: FW: LRBb0224 (State property sales)

Jeff,

Here are our redraft instructions relative to 0226/1 Sale of State Properties

- ✓ Page 3, Line 5: after "(am) delete "and if any bet" and insert ". If any net"
- ✓ Page 3, Line 5: after "thereafter," insert "the Commission shall use the proceeds"
- ✓ Page 3, Line 7: delete lines 7 thru line 12.
- ✓ Page 4, Line 6: delete lines 6 thru line 14d and insert the following:
 - Page 95, Line 3: after "sale" insert "or lease"
 - Page 95, Line 7: after "sale" insert "or lease"
 - Page 95, Line 7: after "sell" insert "or lease"
 - Page 95, Line 7: after "department" delete "may sell the property." and insert "the department shall submit the proposed sale or lease to the Joint Committee on Finance for approval under par. (b)."
- ✓ Page 7, Line 5: after "property" delete "at least 50 percent of" and insert "for which"
- ✓ Page 7, line 6: after "of" delete "which".
- ✓ Page 7, Line 7: delete that line and insert "at least 50% federal funds or at least 50% gift or grant funds."
- ✓ Page 7, Line 8: delete lines 8 thru 11.
- ✓ Page 7, line 16: after "(1)," delete , and if and insert ". If"

✓ Page 7, line 17: after "thereafter." insert "the Department shall use the proceeds"

Page 7, Line 18 delete lines 18 thru 23.

Let me know if you have any questions.

Thanks,

Al

From: Kuesel, Jeffery

Sent: Friday, May 31, 2013 8:17 AM

To: Runde, Al

Subject: LRBb0224 (State property sales)



State of Wisconsin
2013 - 2014 LEGISLATURE



LRBb0226/1 2
JTK:kjf:ph

(col)
LFB:.....Runde – Sale or lease of state properties

FOR 2013-2015 BUDGET — NOT READY FOR INTRODUCTION
ASSEMBLY AMENDMENT ,
TO ASSEMBLY BILL 40

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 57, line 24: after “is” insert “renumbered 13.48 (14) (am) 1. and”.

3 **2.** Page 58, line 1: after “(am)” insert “1.”.

4 **3.** Page 58, line 16: delete the material beginning with “Except” and ending
5 with “16.848.” on page 59, line 2.

6 **4.** Page 59, line 2: after that line insert:

7 “**SECTION 10m.** 13.48 (14) (am) 2. and 3. of the statutes are created to read:

8 13.48 (14) (am) 2. If the building commission proposes to sell or lease any
9 property identified in subd. 1., the commission shall first notify the joint committee
10 on finance in writing of its proposed action. The commission shall not proceed with

1 the proposed action unless the proposed action is approved by the committee.

2 Together with any notification, the commission shall also provide all of the following:

3 a. The estimated value of the property as determined by the department of
4 administration and by at least one qualified privately owned assessor.

5 b. The full cost of retiring any remaining public debt incurred to finance the
6 acquisition, construction, or improvement of the property.

7 c. A cost–benefit analysis that considers the short–term and long–term costs
8 and benefits to the state from selling or leasing the property.

9 d. The length and conditions of any proposed sale or lease between this state
10 and a proposed purchaser or lessee.

11 e. The estimated budgetary impact of the proposed sale or lease upon affected
12 state agencies for at least the current and following fiscal biennium.

13 f. Any other information requested by the committee.

14 3. Except with respect to property identified in s. 16.848 (2), if any agency has
15 authority to sell or lease real property under any other law, the authority of that
16 agency does not apply after the commission notifies the agency in writing that an
17 offer of sale or sale, or a lease agreement, is pending with respect to the property
18 under this subdivision. If the sale or lease is not completed and no further action is
19 pending with respect to the property, the authority of the agency to sell or lease the
20 property is restored. If the commission sells or leases any state–owned real property
21 under this subdivision, the commission may attach such conditions to the sale or
22 lease as it finds to be necessary or appropriate to carry out the sale or lease in the
23 best interest of the state. This subdivision does not apply to real property that is
24 exempted from sale or lease by the department of administration under s. 16.848.”.

1 **5.** Page 61, line 1: after “deposit” insert “first”.

2 **6.** Page 61, line 2: after “on” insert “outstanding public debt supported by the
3 same funding source and issued under the same bonding purpose authorization that
4 was used to finance the acquisition, construction, or improvement of the property
5 that is sold or leased under par. (am) and if any net proceeds remain thereafter, to
6 pay principal and interest costs on”.

7 **7.** Page 62, line 15: after “shall” insert “first”.

8 **8.** Page 62, line 16: after “on” insert “outstanding revenue obligations
9 supported by the same funding source and issued under the same bonding purpose
10 authorization that was used to finance the acquisition, construction, or improvement
11 of the property that is sold or leased under par (am), and if any net proceeds remain
12 thereafter, to pay principal and interest costs on”.

13 **9.** Page 62, line 23: delete “jurisdiction together with” and substitute
14 “jurisdiction. Except with respect to the Board of Regents of the University of
15 Wisconsin System, the inventory shall include”.

16 **10.** Page 62, line 24: delete “under” and substitute “underutilized”.

17 **11.** Page 62, line 25: delete “utilized”.

18 **12.** Page 75, line 13: delete “or property that is operated under contract”.

19 **13.** Page 75, line 15: delete “or under contractual operation”.

20 **14.** Page 94, line 3: delete “not” and substitute “owned by this state except
21 those that are”.

22 **15.** Page 94, line 4: delete “or by a purchaser, lessee, or contractor” and
23 substitute “or by a lessee”.

*If any net
proceeds remain
thereafter, the
commission
shall use
the
proceeds*

1 **16.** Page 94, line 14: delete “, lease, or contractual operation” and
2 substitute “or lease”.

3 **17.** Page 94, line 16: after “is” insert “renumbered 16.848 (1) (a) and”.

4 **18.** Page 94, line 17: after “(1)” insert “(a)”.

5 **19.** Page 94, line 24: after “purchase” insert “or lease”.

6 **20.** Page 95, line 2: after “recommendation.” insert “If the building
7 commission approves the proposed sale or lease, the department shall submit the
8 proposed sale or lease to the joint committee on finance for approval under par. (b).”.

9 **21.** Page 95, line 3: delete “recommend the sale of ~~a parcel of~~” and substitute
10 “~~recommend the sale of a parcel of~~ sell or lease”.

11 **22.** Page 95, line 5: delete lines 5 to 19 and substitute “property. ~~If the building~~
12 ~~commission approves the proposed sale, the department may sell the property and~~
13 ~~regardless of whether the property is included in an inventory submitted under s.~~
14 13.48 (14) (d).”.

15 **23.** Page 95, line 19: after that line insert:

16 “**SECTION 125m.** 16.848 (1) (b) and (c) of the statutes are created to read:

17 16.848 (1) (b) If the department proposes to sell or lease any property identified
18 in par. (a), the department shall first notify the joint committee on finance in writing
19 of its proposed action. The department shall not proceed with the proposed action
20 unless the proposed action is approved by the committee. Together with any
21 notification, the department shall also provide all of the following:

22 1. The estimated value of the plant as determined by the department and by
23 at least one qualified privately owned assessor.

1 2. The full cost of retiring any remaining public debt incurred to finance the
2 acquisition, construction, or improvement of the property.

3 3. A cost–benefit analysis that considers the short–term and long–term costs
4 and benefits to the state from selling or leasing the property.

5 4. The length and conditions of any proposed sale or lease between this state
6 and a proposed purchaser or lessee.

7 5. The estimated budgetary impact of the proposed sale or lease upon affected
8 state agencies for at least the current and following fiscal biennium.

9 6. Any other information requested by the committee.

10 (c) Except with respect to property identified in sub. (2), if any agency, as
11 defined in s. 16.52 (7), has authority to sell or lease real property under any other law,
12 the authority of that agency does not apply after the department notifies the agency
13 in writing that an offer of sale or lease, or a lease agreement, is pending with respect
14 to the property under this paragraph. If the sale or lease is not completed and no
15 further action is pending with respect to the property, the authority of the agency to
16 sell or lease the property is restored. If the department sells or leases any
17 state–owned real property under this paragraph, the department may attach such
18 conditions to the sale or lease as it finds to be necessary or appropriate to carry out
19 the sale or lease in the best interest of the state. If the department sells or leases a
20 state–owned heating, cooling, or power plant under this paragraph, the department
21 may contract with the purchaser or lessee to purchase the output of the plant.”.

22 **24.** Page 95, line 21: delete the material beginning with “, leases” and ending
23 with “of” on line 22 and substitute “or leases”.

24 **25.** Page 95, line 23: delete “, lease, or contract,” and substitute “or lease,”.

1 **26.** Page 96, line 1: delete the material beginning with “, leases” and ending
2 with “of” on line 2 and substitute “or leases”.

3 **27.** Page 96, line 12: delete the material beginning with “, leases” and ending
4 with “of” on line 13 and substitute “or leases”.

5 **28.** Page 96, line 14: delete the material beginning with “, lease” and ending
6 with “contract,” on line 15 and substitute “or lease”.

7 **29.** Page 96, line 18: delete “or operated under contract”.

8 **30.** Page 96, line 20: delete “agency. The” and substitute “agency. Subject to
9 approval under par. (d), the”.

10 **31.** Page 96, line 24: delete “If” and substitute “Subject to approval under par.
11 (d), if”.

12 **32.** Page 96, line 24: delete the material beginning with “, leases” and ending
13 with “of” on line 25 and substitute “or leases”.

14 **33.** Page 97, line 4: delete the material beginning with “, lease” and ending
15 with “contract” on line 5 and substitute “or lease”.

16 **34.** Page 97, line 6: after “to (c)” insert “and subject to approval under par. (d)”.

17 **35.** Page 97, line 12: delete “or operated under contract”.

18 **36.** Page 97, line 13: delete “, lease, or contract” and substitute “or lease”.

19 **37.** Page 97, line 14: delete lines 14 to 15 and substitute:

20 “(d) Prior to taking any action to reallocate authorized expenditures, decrease
21 authorized positions, or lapse or transfer moneys under par. (b) or (c), the secretary
22 shall submit the proposed action in writing to the joint committee on finance. The

1 secretary shall not proceed with the proposed action unless the proposed action is
2 approved by the committee.”.

3 **38.** Page 97, line 16: after that line insert:

4 “**SECTION 129m.** 16.848 (2) (am) of the statutes is created to read:

5 16.848 (2) (am) Subsection (1) does not apply to any property ^{for which} at least 50 percent
6 of the cost of acquisition, construction, and improvement ^{thereof} which was financed with
7 federal funds, gifts, or grants, or any combination thereof. ^{or}

8 **39.** Page 97, line 18: after that line insert:

9 “**SECTION 131m.** 16.848 (2) (gx) of the statutes is created to read:

10 16.848 (2) (gx) Subsection (1) does not apply to any property that is owned or
11 leased by the investment board and that is sold or leased under s. 25.17 (8).”.

12 **40.** Page 98, line 13: after “shall” insert “first”.

13 **41.** Page 98, line 14: after “on” insert “outstanding public debt supported by
14 the same funding source and issued under the same bonding purpose authorization
15 that was used to finance the acquisition, construction, or improvement of the
16 property that is sold or leased under sub. (1) and if any net proceeds remain
17 thereafter, to pay principal and interest costs on”. ^{and if any net proceeds remain}
^{the department shall use the proceeds}

18 **42.** Page 99, line 23: after “shall” insert “first”.

19 **43.** Page 99, line 24: after “on” insert “outstanding revenue obligations
20 supported by the same funding source and issued under the same bonding purpose
21 authorization that was used to finance the acquisition, construction, or improvement
22 of the property that is sold or leased under sub. (1), and if any net proceeds remain
23 thereafter, to pay principal and interest costs on”.

1 **44.** Page 404, line 12: delete lines 12 to 17.

2 (END)

**2013-2014 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRBb0226/1ins
.JTK.....

INS 4-5:

- ✓
1. Page 95, line 3: after "sale" insert "or lease".
- ✓
2. Page 95, line 7: after "sale" insert "or lease".
- ✓
3. Page 95, line 7: delete "may sell the property" and substitute "~~may sell the~~
property shall submit the proposed sale or lease to the joint committee on finance for
approval under par. (b).".
- ✓
4. Page 95, line 7: delete the material beginning with "Except" and ending
with "plant." or
line 19 and substitute:

Kuesel, Jeffery

To: Runde, Al
Subject: RE: Lrb draft 0226/2

Al,

I will put back in the exemption from item 39 of the previous version. I don't think we need to do anything with s. 13.48 for the Building Commission because the bill provides at p. 58, line 25 that s. 13.48 (14) (am) does not apply to any real property that is exempted from sale or lease by the DOA under s. 16.848. So the whole list of exemptions in s. 16.848 (2) is pulled into s. 13.48 (14) (am).

Jeff

From: Runde, Al
Sent: Monday, June 03, 2013 3:53 PM
To: Kuesel, Jeffery
Subject: Lrb draft 0226/2

Jeff

I left you a voicemail on the reinsertion of Item 39 from /1.

One other item, I think we need this same language relating to the sale or lease of property by the Building Commission.

This is the DOA language you have in the /2:

"SECTION 129m. 16.848 (2) (am) of the statutes is created to read:
16.848 **(2)** (am) Subsection (1) does not apply to any property for which the cost of acquisition, construction, and improvement was financed with at least 50 percent federal funds or at least 50 percent gift or grant funds."

thanks,

Al

Al Runde
Legislative Fiscal Analyst
Wisconsin Legislative Fiscal Bureau
(608) 266-3847